

**Iowa Department of Natural Resources
Environmental Protection Commission**

ITEM

8

DECISION

TOPIC **Notice of Intended Action: Chapters 20, 21, 22, 23 25, and 33, Air Quality
Program Rules –Updates, Revisions and Additions**

The Department is requesting permission from the Commission to proceed with the rulemaking process and publish a Notice of Intended Action to amend Chapter 20 "Scope of Title – Definitions-Forms-Rules of Practice," Chapter 21 "Compliance," Chapter 22 "Controlling Pollution," Chapter 23 "Emission Standards for Contaminants," Chapter 25 "Measurement of Emissions," and Chapter 33 "Special Regulations and Construction Permit Requirements for Major Stationary Sources – Prevention of Significant Deterioration (PSD) of Air Quality," of the 567 Iowa Administrative Code.

This rulemaking was presented to the Commission for information in April. The changes from the information item are explained in noted in the brief and are marked with an asterisk.

The purpose of the proposed rule changes is to make corrections, clarifications and improvements to existing air quality rules for:

- Air quality definitions;
- Electronic filing of permit applications and inventories;
- Allowing operation of small, temporary generators during disaster periods;
- Construction permitting procedures;
- Portable plant re-location notifications;
- Title V definitions and permitting procedures;
- Acid Rain program provisions;*
- Emission standards for hazardous air pollutants (HAP);
- Test methods and procedures;* and
- PSD permitting procedures.

The specific items included in the Notice of Intended Action are, as follows:

Definitions update

Item 1 amends the definition of "EPA reference method" in Chapter 20. The amendment makes the definition in Chapter 20 consistent with the definition in Chapter 22, and also reflects updates to EPA reference methods that were adopted by reference in Chapter 25 in the previous rulemakings, and also adopts updates to test methods that EPA recently finalized.

**Denotes a change from the rulemaking presented to the Commission in April.*

Electronic Submittal – emissions inventories

For the past several years, the Department has given stakeholders the option of submitting emissions inventories electronically using the State Permitting and Air Reporting System (SPARS). Items 2 and 3 add provisions to the emissions inventory rules providing for electronic submittal.

Temporary Electricity Generation - disaster situations

During the winter ice storms that occurred in 2006-2007 when electricity generation was disrupted throughout much of the state, some utilities installed and operated small, temporary generators. Current rules do not allow for operation of a generator without an owner or operator first obtaining an air construction permit or a variance from the Department. In the fall of 2007, the Department began working with stakeholders to devise the best way for expediting use of these generators in the future while still ensuring that air quality standards are met. Item 4 is the result of these discussions with stakeholders, and specifies the conditions for installing and operating these generators.

Construction Permits – electronic submittal

Item 5 allows for electronic submittal of air construction permit applications. The Department has been accepting electronic submittals through the SPARS system for several years now. This amendment codifies the electronic submittal option.

Construction Permits – portable plant relocation notifications

Item 6 reduces the notification requirement for most portable plant relocations from 30 days prior to relocation to 14 days prior to plant relocation. This change will allow more flexibility for owners and operators of portable plants, while still allowing sufficient time for Department field office staff to conduct air quality inspections at these portable plants.

Title V Permits – definitions, provisions for electronic submittal, timely application, multiple permits and adjustment to fee payment

- Item 7 amends the definition of "EPA reference method" in the Title V rules. The amendment reflects updates to EPA test methods that were adopted by reference in Chapter 25 in previous rulemakings, and also adopts updates to test methods that EPA recently finalized.
- Item 8 amends provisions for the Title V Operating Permit program. First, the amendment includes provisions for electronic submittal of the Title V application forms. Second, the amendment clarifies the requirements for submitting different types of Title V applications for both existing and new major stationary sources. The amendment does not add any new requirements, but simply provides a better description for Title V facility owners or operators who must submit timely applications, revisions and notifications. Third, the amendment provides additional information on timely permit application under the Clean Air Interstate Rule (CAIR) because this program is associated with the Title V program.
- Item 9 adds provisions for the department to allow more than one Title V permit for one stationary source. The amendment codifies Department policy to allow multiple permits under certain circumstances. The Department has issued multiple Title V permits to some, single stationary sources. The Department will review requests for multiple Title V

**Denotes a change from the rulemaking presented to the Commission in April.*

permits for a single, stationary source, and may issue multiple Title V permits, as appropriate.

- Item 10 provides for electronic submittal of emissions inventories being submitted to the Linn or Polk County air quality programs.
- Item 11 adds provisions for correcting errors in Title V emissions inventories and Title V fees. These provisions codify Department policies.
- Item 12 amends a Title V rule to add a description that is consistent with the amendments being proposed under Item 8.
- Item 13 removes the requirement that stack testing be completed prior to an owner or operator submitting an application for a Title V permit renewal. This provision is no longer needed because the Department's Title V program has established procedures to address compliance testing. If a required test is not completed prior to Title V permit renewal, the Department has the option of including a compliance plan in the renewed permit that addresses the need to complete testing.
- Item 14 corrects a cross reference to reflect the amendments in Item 8.

Updates to testing methods for the Acid Rain program*

Item 15 adopts amendments to test methods and analytical procedures that EPA recently finalized.

Emission standards for hazardous air pollutants (HAP) for source categories

The Department is amending the rules in Chapter 23 that adopt by reference new standards added to, and amendments to, the federal National Emission Standards for Hazardous Air Pollutants (NESHAP). A detailed description of each of the amendments is included in the preamble of the attached Notice. A summary of the changes is as follows:

- Item 16 adopt recent amendments that EPA made to the NESHAP. The amendments being adopted are as follows:
 - Amendments to the NESHAP for dry cleaners to correct applicability cross references and to clarify that condenser performance monitoring may be done by either of two prescribed methods (pressure or temperature), regardless of whether an installed pressure gauge is present.*
 - Amendments to the NESHAP for hazardous waste combustors to clarify several compliance and monitoring provisions, and also correct several omissions and typographical errors in the final rule. EPA states that it is finalizing the amendments to facilitate compliance and improve understanding of the final rule requirements.*
 - Amendments to the NESHAP for iron and steel foundries that are major sources of HAP to add alternative compliance options for cupolas at existing foundries and to clarify several provisions to increase operational flexibility.
 - Amendments consisting of technical corrections to the NESHAP for area sources for several source categories, including the NESHAP for acrylic and modacrylic fibers production, carbon black production, chemical manufacturing of chromium compounds, flexible polyurethane foam production and fabrication, lead acid battery manufacturing, and wood preserving. The amendments clarify certain provisions in two of the final area source rules (flexible polyurethane foam

**Denotes a change from the rulemaking presented to the Commission in April.*

production and fabrication and lead acid battery manufacturing) and correct editorial and publication errors in all of the final rules.*

Item 16 also includes language to clarify that an earlier date of adoption may apply for a specific NESHAP.

- Item 17 adopts by reference three new NESHAP for area sources. Area sources are those new and existing sources that are not major sources for HAP. The new standards apply to the following source categories: Hospital Ethylene Oxide Sterilizers; Steelmaking Electric Arc Furnaces; and Iron and Steel Foundries. The Department has identified facilities that may be affected by the new requirements and will be working with these facilities.
- Item 18 adopts by reference three additional, new NESHAP for area sources. These standards apply to the following source categories: Clay Ceramics Manufacturing; Glass Manufacturing; and Secondary Nonferrous Metal Processing. The Department has identified facilities that may be affected by the new requirements and will be working with these facilities.
- Item 19 amends the NESHAP for stationary reciprocating internal combustion engines. The amendment is proposed because the Department is not adopting the federal amendments that EPA finalized in January 2008. The Department is not adopting the new amendments at this time because the Department is still identifying facilities that may be affected by the federal amendments and also is developing an implementation plan for the new federal provisions. The Department plans to adopt the federal amendments in a rulemaking later this year.

Updates to testing methods and procedures for Acid Rain, CAIR, and the Clean Air Mercury Rule (CAMR)*

Item 20, 21 and 22 adopt by reference amendments and corrections that EPA recently finalized for 40 CFR Part 75. The test methods and procedures in Part 75 affect the Acid Rain, CAIR and CAMR programs. Although CAMR was recently vacated by the U.S. Court of Appeals for the District of Columbia, EPA has appealed the vacatur and continues to support the mercury monitoring provisions specified in Part 75. The Department will continue to require compliance with the mercury monitoring and testing provisions in Part 75 and will continue to adopt federal amendments to Part 75.

Prevention of Significant Deterioration (PSD) – Amendments to Chapter 33

- Item 23 amends the PSD public participation provisions. After the Department adopted EPA's for PSD reform last year, Department staff determined that it would be helpful to affected facilities if the Department included provisions for re-opening the public comment period for PSD permits. These amendments are in accordance with the Department's procedures.
- Item 24 amends the PSD source obligation provisions to adopt the federal regulations under 40 CFR 52.21 that were inadvertently omitted when the Department adopted EPA's PSD reform rules in 2006. These provisions had been included in the state's PSD rules prior to that time. These provisions make clear that a source owner or operator is subject to enforcement action if a source is not constructed according to its issued PSD permit

**Denotes a change from the rulemaking presented to the Commission in April.*

and the owner or operator does not obtain the required PSD permit prior to initiating construction. The amendment does not change the Department's existing authority to enforce the PSD permit requirements. The amendment also clarifies the time period allowed for commencing and completing construction on PSD projects.

- Item 25 amends the conditions of permit issuance for PSD permits to add provisions for making administrative amendments.

If the Commission approves this Notice of Intended Action, a public hearing will be held on Monday, July 7, 2008, at 1 p.m. at the Department's Air Quality Bureau offices. The public comment period for the proposed rules will close on Tuesday, July 8, 2008.

An administrative rule fiscal impact statement is attached.

Christine Paulson
Environmental Specialist Senior
Program Development Section, Air Quality Bureau
Memo date: April 21, 2008

**Denotes a change from the rulemaking presented to the Commission in April.*

ENVIRONMENTAL PROTECTION COMMISSION [567]

Notice of Intended Action

Pursuant to the authority of Iowa Code section 455B.133, the Environmental Protection Commission hereby gives Notice of Intended Action to amend Chapter 20 "Scope of Title – Definitions-Forms-Rules of Practice," Chapter 22, "Controlling Pollution," Chapter 23 "Emission Standards for Contaminants," Chapter 25 "Measurement of Emissions," and Chapter 33, "Special Regulations and Construction Permit Requirements for Major Stationary Sources—Prevention of Significant Deterioration (PSD) of Air Quality," Iowa Administrative Code.

The purpose of the proposed rule changes is to make corrections, clarifications and improvements to existing air quality rules for: air quality definitions, electronic submittal of applications and inventories, operation of small, temporary generators during disaster periods, construction permitting provisions, portable plant re-location notifications, Title V definitions and permitting provisions, Acid Rain program provisions, emission standards for hazardous air pollutants, test methods and procedures, and PSD permitting provisions.

Item 1 amends rule 567—20.2 (455B), the definition of "EPA reference method," to make this definition consistent with the definition contained in rule 567—22.100(455B), to reflect federal amendments to EPA reference methods that were adopted by reference into Chapter 25 in previous rulemakings, and to adopt updates to test methods that EPA recently finalized.

Items 2 and 3 amend subrules 21.1(3) and 21.1(4) to allow for electronic submittal of emissions inventories. Electronic submittal is provided for under Iowa Code 554D. For the past several years, the Department has given stakeholders the option of submitting emissions

inventories electronically using the State Permitting and Air Reporting System (SPARS). Items 1 and 2 codify the option for electronic submittal.

Item 4 amends 567—Chapter 21 to add new rule 567—21.6(455B) to allow for utilities to operate small, temporary generators for electricity generation during periods of natural and man-made disasters. During the winter ice storms that occurred in 2006-2007, when electricity generation was disrupted throughout much of the state, some utilities installed and operated small, temporary generators. Current rules do not allow for operation of a generator without an owner or operator first obtaining an air construction permit or a variance from the Department. In the fall of 2007, the Department began working with stakeholders to devise the best way for expediting use of these generators in the future while still ensuring that air quality standards are met. The new rule is the result of these discussions with stakeholders, and specifies the conditions for installing and operating these generators. This rule applies the definition of "disaster" specified in Iowa Code section 29C.2(1), which states as follows: "disaster means man-made and natural occurrences, such as fire, flood, drought, earthquake, tornado, windstorm, hazardous substance or nuclear power plant accident or incident, which threaten the public peace, health, and safety of the people or which damage and destroy public or private property. The term includes attack, sabotage, or other hostile action from within or without the state." Additionally, an owner or operator may install and operate a generator under this rule even if the Governor or President does not make an official disaster declaration.

Item 5 amends subrule 22.1(3) to allow for electronic submittal of air construction permit applications. As explained for items 2 and 3 above, electronic submittal is authorized under Iowa Code 455D. The Department has been accepting electronic submittals through SPARS for several years now. This amendment codifies the electronic submittal option.

Item 6 amends paragraph 22.3(3)"f," which are the provisions for portable plant relocations. The amendment reduces the notification requirement for portable plant relocations from 30 days prior to relocation to 14 days prior to plant relocation. This change will allow more flexibility for owners and operators of equipment at portable plants, while still allowing sufficient time for Department field office staff to conduct air quality inspections at these portable plants. Facilities relocating to areas that are classified as nonattainment or areas that are maintenance areas for the ambient air quality standards must still submit their relocation notices 30 days in advance of relocating. This will provide the Department with sufficient time to conduct the required air quality analysis for facilities relocating to these areas. A list of current nonattainment and maintenance areas is available from the Department, upon request, and also will be available on the Department's internet website.

Item 7 amends rule 567—20.100 (455B), the definition of "EPA reference method," to reflect federal amendments to EPA reference methods that were adopted by reference into Chapter 25 in previous rulemakings and to adopt updates to test methods that EPA recently finalized.

Item 8 amends subrule 22.105(1), which includes the "duty to apply" provisions for the Title V Operating Permit program. This amendment accomplishes several objectives.

First, the amendment includes provisions for electronic submittal of the Title V application forms. The Department has provided for electronic submittal of Title V permit applications through SPARS for several years. Electronic submittal is authorized under Iowa Code 554D.

Second, the amendment clarifies the requirements for submitting different types of Title V applications for both existing and new major stationary sources. The amendment does not add

any new requirements, but simply provides a better description for Title V facility owners or operators who must submit timely applications, revisions and notifications.

Third, the amendment adds the requirements for permit application under the Clean Air Interstate Rule (CAIR). Although CAIR is distinct from the Title V program, the permitting requirements, like the Acid Rain program, are related to the Title V permitting requirements. These amendments clarify the CAIR permit application requirements.

Item 9 amends rule 567—22.105(455B) to add new subrule 22.105(5). The new subrule adds provisions for the Department to allow more than one Title V permit for one stationary source. The amendment codifies Department policy to allow multiple permits under certain circumstances. The Department has issued multiple Title V permits to some, single stationary sources. The Department will review requests for multiple Title V permits for a single, stationary source, and may issue multiple Title V permits, as appropriate.

Item 10 amends paragraph 22.106(3)"b" to provide for electronic submittal of Title V emissions inventories being submitted to the Linn or Polk County air quality programs. As with the Department, Linn and Polk County currently allow electronic submittal of emissions inventories through SPARS.

Item 11 amends rule 567—22.106(455B) to add new subrule 22.106(8). Subrule 22.106(8) sets forth the provisions for correcting errors in Title V emissions inventories and Title V fees.

Item 12 amends the catch phrase for rule 567—22.110(455B) to add the term "off-permit revision." The term "off-permit revision" is sometimes used to refer to a change at a Title V source that does not require a revision to the current Title V permit. This amendment will make rule 567—22.110(455B) consistent with the amendment proposed under Item 8.

Item 13 amends subrule 22.116(2) to remove the sentence stating that required testing shall be completed prior to submitting an application for Title V permit renewal. This statement is no longer needed because the Department's Title V program has established procedures to address compliance testing. If a required test is not completed prior to Title V permit renewal, the Department has the option of including a compliance plan in the renewed permit that addresses the need to complete testing. It is not practical to delay submittal of a Title V renewal application because testing has not yet been completed.

Item 14 amends subrule 22.207(1) to correct the cross reference to subrule 22.105(1) to reflect the amendments in Item 8.

Item 15 amends rule 567—22.120(455B), the introductory paragraph and the definitions of "40 CFR Part 72" and "40 CFR Part 75," to reflect recent EPA amendments to analytical test methods and procedures.

Item 16 amends subrule 23.1(4), the emission standards for hazardous air pollutants for source categories, also known as National Emission Standards for Hazardous Air Pollutants or NESHAP, to adopt recent amendments that EPA made to 40 CFR Part 63. The amendments being adopted are as follows:

- Amendments to the NESHAP for dry cleaners (Subpart M, as adopted by reference in paragraph 23.1(4)"m"). This action amends rule language to correct applicability cross references that were not correctly amended between the most recent proposed and final rule revisions, and to clarify that condenser performance monitoring may be done by either of two prescribed methods (pressure or temperature), regardless of whether an installed pressure gauge is present.

- Amendments to the NESHAP for hazardous waste combustors (Subpart EEE, as adopted by reference in paragraph 23.1(4)"be"). This action clarifies several compliance and monitoring provisions, and also corrects several omissions and typographical errors in the final rule. EPA states that it is finalizing the amendments to facilitate compliance and improve understanding of the final rule requirements. This rule does not address issues for which petitioners sought reconsideration. Nor does it address issues raised in EPA's comment solicitation of September 27, 2007.
- Amendments to the NESHAP for iron and steel foundries that are major sources of HAP (Subpart EEEEE, as adopted by reference in paragraph 23.1(4) "de"). EPA issued amendments to this standard to add alternative compliance options for cupolas at existing foundries and to clarify several provisions to increase operational flexibility.
- Amendments consisting of technical corrections to the NESHAP for area sources for several source categories, including the NESHAP for acrylic and modacrylic fibers production (Subpart LLLLLL), carbon black production (Subpart MMMMMM), chemical manufacturing of chromium compounds (Subpart NNNNNN), flexible polyurethane foam production and fabrication (Subpart OOOOOO), lead acid battery manufacturing (Subpart PPPPPP), and wood preserving (Subpart QQQQQQ). The amendments clarify certain provisions in two of the final area source rules (flexible polyurethane foam production and fabrication and lead acid battery manufacturing) and correct editorial and publication errors in all of the final rules.

Additionally, the Department added language to subrule 23.1(4) to state that an earlier date for adoption by reference may apply for a particular subpart of Part 63 if that earlier date is specified in parentheses for the paragraph for which the federal subpart is adopted.

Item 17 amends subrule 23.1(4) by adopting **new** paragraphs "dw," "dy," and "dz." This amendment adopts by reference three new NESHAP for area sources. Area sources are those new and existing sources that are not major sources for hazardous air pollutants (HAP). The new standards apply to the following source categories: Hospital Ethylene Oxide Sterilizers (Subpart WWWW); Steelmaking Electric Arc Furnaces (Subpart YYYYY); and Iron and Steel Foundries (Subpart ZZZZZ).

The Department estimates that eighteen hospitals may be affected by the NESHAP requirements for ethylene oxide (EO) sterilizers. Many hospitals no longer sterilize equipment with EO sterilizers. Hospitals that do operate new or existing EO sterilizers will be required to implement management practices for sterilizing full loads (except under medically necessary circumstances). Hospitals which route EO to an air pollution control device are in compliance with the required management practices. It is expected that any hospitals still operating EO sterilizers are already following the required management practices. However, the Department plans to contact the identified hospitals to assist with the applicable NESHAP requirements.

The Department has identified two facilities that may be affected by the NESHAP requirements for steelmaking electric arc furnaces (EAF). These two affected facilities already have Title V permits, as required by the NESHAP. The two EAF facilities must implement and comply with a metal scrap handling plan by June 30, 2008. Additional NESHAP requirements may apply, such as compliance testing for particulate matter (PM) and opacity, as well as monitoring and recordkeeping. For purposes of the NESHAP, PM is a surrogate for HAP

metals. The Department will be working with the two affected facilities to assist with applicable NESHAP provisions.

The Department estimated that sixteen facilities may be affected by the NESHAP requirements for iron and steel foundries. Similar to the EAF NESHAP requirements, affected iron and steel foundries must implement a metal scrap handling plan by June 30, 2008. Affected foundries must also apply pollution prevention management practices, and larger foundries must comply with emission limits for PM (a surrogate for HAP metals). The Department will be working with the affected facilities to assist with applicable NESHAP provisions.

Item 18 amends subrule 23.1(4) by adopting new paragraphs "er," "es," and "et." This amendment adopts by reference three additional, new NESHAP for area sources. The new standards apply to the following source categories: Clay Ceramics Manufacturing (Subpart RRRRRR); Glass Manufacturing (Subpart SSSSSS); and Secondary Nonferrous Metal Processing (Subpart TTTTTT).

At this time, the Department has not identified any facilities that appear to be affected by the NESHAP requirements for clay ceramics manufacturing.

The Department has identified one facility that may be affected by the NESHAP requirements for glass manufacturing. This facility already has a Title V permit, as required by the NESHAP. The NESHAP emission limits and testing requirements apply only to specific types of glass manufacturing that use one or more continuous furnaces that produce glass at a rate of at least 50 tons per year and that contains compounds or one or more "glass manufacturing metal HAP," as defined in the Subpart SSSSSS. The Department will work with the glass manufacturing facility to determine what, if any, NESHAP requirements may apply.

The Department has identified three facilities that may be affected by the NESHAP requirements for secondary nonferrous metal processing. This standard applies to all furnace melting operations located at affected facilities. Existing facilities are required to route furnace emissions through a fabric filter or baghouse that achieves a PM control efficiency of at least 99% or to meet a specified outlet PM concentration limit. Affected facilities may be subject to other requirements, such as conducting performance testing. The Department will work with the three identified facilities to determine what, if any, NESHAP requirements apply.

Item 19 amends paragraph 23.1(4)"cz," which is the NESHAP for stationary reciprocating internal combustion engines (RICE) (Subpart ZZZZZ). The amendment specifies that the Department has adopted the federal provisions as amended through April 20, 2006. The amendment is being made because the Department is not adopting the federal amendments that EPA finalized on January 19, 2008. The Department is not adopting the new amendments at this time because the Department is still identifying facilities that may be affected by the federal amendments and also is developing an implementation plan for the new federal provisions. The Department plans to adopt the federal amendments in a rulemaking later this year.

Items 20, 21 and 22 amend subrule 25.1(9), rule 567—25.2(455B) and rule 567—25.2(455B), respectively, to adopt by reference amendments and corrections that EPA recently finalized for 40 CFR Part 75. The federal test methods and procedures contained in Part 75 affect the Acid Rain program, the Clean Air Interstate Rule (CAIR) and the Clean Air Mercury Rule (CAMR). The U.S. Court of Appeals for the District of Columbia recently ruled to vacate many provisions of CAMR. However, EPA has appealed the Court's ruling and continues to support the mercury monitoring provisions specified in Part 75. The Department will continue

to require compliance with the mercury monitoring and testing provisions contained in Part 75 and will continue to adopt federal amendments to Part 75.

Item 23 amends subrule 33.3(17) to add a new paragraph "c." When the Department adopted the federal PSD reform rules last year, EPA requested that the Department include specific rules for public participation because the federal PSD rules do not specify the procedures for public comment on state-issued PSD permits. Therefore, the Department adopted public participation rules similar to those used in the Title V Operating Permit program. This amendment further clarifies the public participation procedures by including provisions for re-opening the public comment period when necessary. These provisions will add clarity for those applying for PSD permits and for those seeking to comment on draft PSD permits. This amendment codifies Department procedures, which have closely followed the federal rules for EPA-issued PSD permits set forth in 40 CFR Section 124.

Item 24 amends subrule 33.3(18), paragraphs "c" and "d." This amendment adopts the PSD source obligation provisions specified in the federal regulations under 50 CFR 52.21(r) that were inadvertently omitted when the Department adopted EPA's PSD reform rules in 2006. These provisions had been included in the state's PSD rules prior to that time. These added provisions make clear that a source owner or operator is subject to enforcement action if a source is not constructed according to its issued PSD permit, and if a source owner or operator does not obtain the required PSD permit prior to initiating construction. The amendment does not change the Department's existing authority to enforce the PSD permit requirements. The amendment also clarifies the time period allowed for commencing and completing construction on PSD projects.

Item 25 amends subrule 33.3(20) to add new paragraphs "a" and "b," to add provisions for administrative amendments to PSD permits. These provisions codify current Department procedures, and will add clarity for those applying for administrative amendments to PSD permits.

Any person may make written suggestions or comments on the proposed amendments on or before July 8, 2008. Written comments should be directed to Christine Paulson, Department of Natural Resources, Air Quality Bureau, 7900 Hickman Road, Suite 1, Urbandale, Iowa, 50322, fax (515) 242-5094, or by electronic mail to christine.paulson@dnr.iowa.gov.

A public hearing will be held on Monday, July 7, 2008, at 1:00 PM in the conference rooms at the department's Air Quality Bureau office located at 7900 Hickman Road, Urbandale, Iowa. All comments must be received no later than July 8, 2008.

Any person who intends to attend the public hearing and has special requirements such as those related to hearing or mobility impairments should contact Christine Paulson at (515) 242-5154 to advise of any specific needs.

These amendments are intended to implement Iowa Code section 455B.133 and 554D (electronic submittal provisions).

The following amendments are proposed.

ITEM 1. Amend rule 567—20.2 (455B), the definition of "EPA reference method," as follows:

"EPA reference method" means any method of sampling and analyzing for an air pollutant as described in 40 CFR 51, Appendix M; (as amended through June 16, 1997); 40 CFR 52, Appendices D and E; (as amended through February 6, 1975); 40 CFR 60, Appendix A; (as

amended through ~~March 12, 1996~~ September 28, 2007), B (as amended through September 28, 2007), C (as amended through December 16, 1975), and F (as amended through January 12, 2004); 40 CFR 61, Appendix B; ~~(as amended through April 6, 1973~~ October 17, 2000); 40 CFR 63, Appendix A; ~~(as amended through December 7, 1995~~ October 17, 2000); and 40 CFR 75, Appendices A, ~~B, and H, as amended through May 22, 1996, May 17, 1995, and July 30, 1993~~ (as amended through January 24, 2008), B (as amended through January 24, 2008), F (as amended through January 24, 2008, and corrected on February 13, 2008) and K (as amended through January 24, 2008).

ITEM 2. Amend subrule 21.1(3) as follows:

21.1(3) Emissions inventory. The person responsible for equipment as defined herein shall provide information on fuel use, materials processed, air contaminants emitted, estimated rate of emissions, periods of emissions or other air pollution information to the director upon the director's written request for use in compiling and maintaining an emissions inventory for evaluation of the air pollution situation in the state and its various parts. The information requested shall be submitted on forms ~~supplied~~ or by electronic format specified by the department. All information in regard to both actual and allowable emissions shall be public records and any publication of such data shall be limited to actual and allowable air contaminant emissions.

ITEM 3. Amend subrule 21.1(4) as follows:

21.1(4) Emissions inventory to fulfill requirements of the Clean Air Interstate Rule (CAIR). Upon the director's written request, the owner or operator shall provide information on fuel use, materials processed, air contaminants emitted, estimated rate of emissions, periods of

emission or other air pollutant information related to the emissions of SO₂ and NO_x. The information requested shall be submitted on forms ~~supplied~~ or by electronic format specified by the department. The information shall be used by the department in compiling and maintaining an emissions inventory to fulfill the reporting requirements under 40 CFR 51.125 as amended through May 12, 2005.

ITEM 4. Amend 567—Chapter 21 to add **new** rule 567—21.6(455B) as follows:

567—21.6(455B) Temporary electricity generation for disaster situations. An electric utility may operate generators at an electric utility substation with a total combined capacity not to exceed two (2) megawatts in capacity for a period of not longer than ten (10) calendar days and only for the purpose of providing electricity generation in the event of a sudden and unforeseen disaster that has disabled standard transmission of electricity to the public. Department approval shall be required if the electric utility intends to operate generators for a period longer than ten (10) calendar days. The electric utility shall provide an oral report to the appropriate department field office and to the department's Air Quality Bureau, and shall specify the anticipated duration within eight (8) hours of commencing use of a generator or at the start of the first working day following the placement of a generator at each site. A written report shall be submitted to the department within thirty (30) calendar days following the cessation of use of the generators. The written report shall state the nature of the sudden and unforeseen disaster, the location of each site, the number of generators used, the capacity of the generators used, the fuel type of the generators, and the duration of use of each generator. For purposes of this rule, the definition of “disaster” shall be as defined in Iowa Code section 29C.2(1), and a disaster may occur before, with, or without a gubernatorial or federal disaster proclamation.

ITEM 5. Amend subrule 22.1(3) as follows:

22.1(3) Construction permits. The owner or operator of a new or modified stationary source shall apply for a construction permit unless a conditional permit is required by Iowa Code chapter 455B or subrule 22.1(4) or requested by the applicant in lieu of a construction permit. Two copies of a construction permit application for a new or modified stationary source shall be presented or mailed to Department of Natural Resources, Air Quality Bureau, 7900 Hickman Road, Suite 1, Urbandale, Iowa 50322. Alternatively, the owner or operator may apply for a construction permit for a new or modified stationary source through the electronic submittal format specified by the department. The owner or operator of any new or modified industrial anaerobic lagoon or a new or modified anaerobic lagoon for an animal feeding operation other than a small operation as defined in rule 567—65.1(455B) shall apply for a construction permit. Two copies of a construction permit application for an anaerobic lagoon shall be presented or mailed to Department of Natural Resources, Water Quality Bureau, Henry A. Wallace Building, 502 East Ninth Street, Des Moines, Iowa 50319.

ITEM 6. Amend paragraph **22.3(3)"f"** as follows:

f. A permit is not transferable from one location to another or from one piece of equipment to another, unless the equipment is portable. When portable equipment for which a permit has been issued is to be transferred from one location to another, the department shall be notified in writing at least ~~30 days~~14 days prior to transferring to the new location. However, if the portable equipment is relocating to an area currently classified as nonattainment for ambient air quality standards, or is relocating to an area under a maintenance plan for ambient air quality standards, the owner or operator of the portable equipment shall notify the department at least 30 days prior to transferring to the new location. A list of nonattainment and maintenance areas may be obtained from the department, upon request, or on the department's internet website. The

owner or operator will be notified at least 10 days prior to the scheduled relocation if said relocation will prevent the attainment or maintenance of ambient air quality standards and thus require a more stringent emission standard and the installation of additional control equipment. In such a case a supplemental permit shall be obtained, prior to the initiation of construction, installation, or alteration of such additional control equipment.

ITEM 7. Amend rule 567—20.100 (455B), the definition of "EPA reference method," as follows:

"EPA reference method" means any method of sampling and analyzing for an air pollutant as described in 40 CFR 51, Appendix M (as amended through June 16, 1997); 40 CFR 52, Appendices D (as amended through February 6, 1975) and E (as amended through February 6, 1975); 40 CFR 60, Appendices A (as amended through ~~October 17, 2000~~ September 28, 2007), B (as amended through ~~January 12, 2004~~ September 28, 2007), C (as amended through December 16, 1975), and F (as amended through January 12, 2004); 40 CFR 61, Appendix B (as amended through October 17, 2000); 40 CFR 63, Appendix A (as amended through October 17, 2000); and 40 CFR 75, Appendices A (as amended through ~~August 16, 2002~~ January 24, 2008) and ~~B~~ (as amended through ~~September 9, 2002~~ January 24, 2008), F (as amended through January 24, 2008, and corrected on February 13, 2008) and K (as amended through January 24, 2008).

ITEM 8. Amend subrule **22.105(1)** as follows:

22.105(1) Duty to apply. For each source required to obtain a Title V permit, the owner or operator or designated representative, where applicable, shall present or mail a complete and timely permit application in accordance with this rule to the following locations: Iowa Department of Natural Resources, Air Quality Bureau, 7900 Hickman Road, Suite 1, Urbandale, Iowa 50322 (two copies); and U.S. EPA Region VII, 901 North 5th Street, Kansas City, Kansas 66101 (one copy); and, if applicable, the local permitting authority, which is either Linn County Public Health Department, Air Quality Division, 501 13th Street NW, Cedar Rapids, Iowa 52405 (one copy); or Polk County Public Works, Air Quality Division, 5885 NE 14th Street, Des Moines, Iowa 50313 (one copy). Alternatively, an owner or operator may submit a complete and timely application through the electronic submittal format specified by the department. If an application is submitted electronically, the owner or operator shall provide one hard copy of the application to U.S. EPA Region VII.

a. Timely application. Each ~~source~~ owner or operator applying for a Title V permit shall submit an application as follows:

(1) Initial application for an existing source. ~~By November 15, 1994, if source~~ The owner or operator of a stationary source that was existing on or before April 20, 1994, shall make the first time submittals of a Title V permit application to the department by November 15, 1994. However, a source ~~the owner or operator~~ may choose to defer submittal of Part 2 of the permit application until December 31, 1995. The department will mail notice of the deadline for Part 2 of the permit application to all applicants who have filed Part 1 of the application by October 17, 1995.

~~(2) At least 6 months but not more than 18 months prior to the date of permit expiration if the application is for a permit renewal.~~ Initial application for a new source. The owner or operator of a stationary source that commenced construction or reconstruction after April 20, 1994, or that otherwise became subject to the requirement to obtain a Title V permit after April 20, 1994, shall submit an application to the department within 12 months of becoming subject to the Title V permit requirements.

(3) ~~By January 1, 1996, (for sulfur dioxide) or by January 1, 1998, (for nitrogen oxides) if the application is for an initial Phase II acid rain permit.~~ Application related to 112(g), PSD or nonattainment. The owner or operator of a stationary source that is subject to section 112(g) of the Act, that is subject to rule 22.4(455B) (prevention of significant deterioration (PSD)), or that is subject to rule 22.5(455B) (nonattainment area permitting) shall submit an application to the department within 12 months of commencing operation. In cases in which an existing Title V permit would prohibit such construction or change in operation, the source must obtain a Title V permit revision before commencing operation.

(4) ~~For a change that is subject to the requirements for a significant permit modification (see rule 22.113(455B)), the permittee shall submit to the department an application for a significant permit modification not later than three months after commencing operation of the changed source unless the existing Title V permit would prohibit such construction or change in operation, in which event the operation of the changed source may not commence until the department revises the permit.~~ Renewal application. The owner or operator of stationary source with a Title V permit shall submit an application to the department for a permit renewal at least 6 months prior to, but not more than 18 months prior to, the date of permit expiration.

~~(5) Within 12 months of commencing operation for a source subject to 112(g) of the Act or subject to rule 22.4(455B) (prevention of significant deterioration permitting) or subject to rule 22.5(455B) (nonattainment area permitting). Where an existing Title V permit would prohibit such construction or change in operation, the source must obtain a Title V permit revision before commencing operation. Changes allowed without a permit revision (off-permit revision). The owner or operator of a stationary source with a Title V permit that is proposing a change that is allowed without a Title V permit revision (an off permit-revision) as specified in rule 567—22.110(455B) shall submit to the department a written notification as specified in rule 567—22.110(455B) at least 30 days prior to the proposed change.~~

~~(6) Within 12 months of becoming subject to this rule for a new source or a source which has become subject to the Title V permit requirement after April 20, 1994. Application for an administrative permit amendment. Prior to implementing a change that satisfies the requirements for an administrative permit amendment as set forth in rule 567—22.111(455B), the owner or operator shall submit to the department an application for an administrative amendment as specified in 567—22.111(455B).~~

~~(7) Application for a minor permit modification. Prior to implementing a change that satisfies the requirements for a minor permit modification as set forth in rule 567—22.112(455B), the owner or operator shall submit to the department an application for a minor permit modification as specified in rule 567—22.112(455B).~~

~~(8) Application for a significant permit modification. The owner or operator of a source that satisfies the requirements for a significant permit modification as set forth in rule 567—22.113(455B) shall submit to the department an application for a significant permit modification as specified in rule 567—22.113(455B) within three months after the commencing operation of~~

the changed source. However, if the existing Title V permit would prohibit such construction or change in operation, the owner or operator shall not commence operation of the changed source until the department issues a revised Title V permit that allows the change.

(9) Application for an acid rain permit. The owner or operator of a source subject to the acid rain program, as set forth in rules 567—22.120(455B) through 567—22.148(455B), shall submit an application for an initial Phase II acid rain permit by January 1, 1996, (for sulfur dioxide) or by January 1, 1998, (for nitrogen oxides).

(10) Application for a CAIR annual NO_x permit. The owner or operator of source subject to the Clean Air Interstate Rule (CAIR) annual nitrogen oxides (NO_x) requirements, as set forth in rules 567—34.201(455B) through 567—34.209(455B), shall submit a CAIR application as follows:

1. Initial permit application. The CAIR designated representative of any CAIR annual NO_x source required to have a Title V permit shall submit to the department a complete CAIR permit application for each CAIR NO_x unit by the later of July 1, 2007, or 18 months prior to the date on which the CAIR annual NO_x unit commences operation.

2. Renewal permit application. The CAIR designated representative of any CAIR annual NO_x source issued a CAIR permit shall submit a CAIR permit renewal application at least 6 months prior to, but not more than 18 months prior to, the expiration date of the CAIR permit.

(11) Application for a CAIR SO₂ permit. The owner or operator of source subject to the CAIR SO₂ requirements, as set forth in rule 567—34.210(455B), shall submit a CAIR application as follows:

1. Initial permit application. The CAIR designated representative of any CAIR SO₂ source required to have a Title V permit shall submit to the department a complete CAIR permit application for each CAIR SO₂ unit by the later of July 1, 2008, or 18 months prior to the date on which the CAIR SO₂ unit commences operation.

2. Renewal permit application. The CAIR designated representative of any CAIR SO₂ source issued a CAIR permit shall submit a CAIR permit renewal application at least 6 months prior to, but not more than 18 months prior to, the expiration date of the CAIR permit.

(12) Application for a CAIR NO_x ozone season permit. The owner or operator of source subject to the CAIR NO_x ozone season requirements, as set forth in rules 567—34.220(455B) through 567—34.229(455B), shall submit a CAIR application as follows:

1. Initial permit application. The CAIR designated representative of any CAIR NO_x ozone season source required to have a Title V permit shall submit to the department a complete CAIR permit application for each CAIR NO_x ozone season unit by the later of July 1, 2007, or 18 months prior to the date on which the CAIR NO_x ozone unit commences operation.

2. Renewal permit application. The CAIR designated representative of any CAIR NO_x ozone season source issued a CAIR permit shall submit a CAIR permit renewal application at least 6 months prior to, but not more than 18 months prior to, the expiration date of the CAIR permit.

ITEM 9. Amend rule 567—22.105(455B) to add **new** subrule **22.105(5)** as follows:

22.105(5) More than one Title V operating permit for a stationary source. Following application made pursuant to subrule 22.105(1), the department may, at its discretion, issue more than one Title V operating permit for a stationary source, provided that the owner or operator

does not have, and does not propose to have, a source-wide emission limit or a source-wide alternative operating scenario.

ITEM 10. Amend paragraph **22.106(3)"b"** as follows:

b. For emissions located in Polk County or Linn County, three copies of the following forms shall be submitted annually by March 31 documenting actual emissions for the previous calendar year. For emissions in all other counties, two copies of the following forms shall be submitted:

1. Form 1.0 “Facility identification”;
2. Form 4.0 “Emission unit—actual operations and emissions” for each emission unit;
3. Form 5.0 “Title V annual emissions summary/fee”; and
4. Part 3 “Application certification.”

Alternatively, an owner or operator may submit the required emissions inventory information through the electronic submittal format specified by the department.

If there are any changes to the emission calculation form, the department shall make revised forms available to the public by January 1. If revised forms are not available by January 1, forms from the previous year may be used and the year of emissions documented changed. The department shall calculate the total statewide Title V emissions for the prior calendar year and make this information available to the public no later than April 30 of each year.

ITEM 11. Amend rule 567—22.106(455B) to add **new** subrule **22.106(8)** as follows:

22.106(8) Correction of errors. If an owner or operator, or the department, finds an error in a Title V emissions inventory or Title V fee payment, the owner or operator shall submit to

the department revised forms making the necessary corrections to the Title V emissions inventory or Title V fee payment. Forms shall be submitted as soon as possible after the errors are discovered or upon notification by the department.

ITEM 12. Amend the **catch phrase** for rule 567—22.110(455B) as follows:

567—22.110(455B) Changes allowed without a Title V permit revision (off-permit revisions).

ITEM 13. Amend subrule **22.116(2)** as follows:

22.116(2) Except as provided in rule 22.104(455B), permit expiration terminates a source's right to operate unless a timely and complete application for renewal has been submitted in accordance with rule 22.105(455B). ~~Any testing required for renewal shall be completed before the application is submitted.~~

ITEM 14. Amend subrule **22.207(1)** as follows:

22.207(1) Construction permits issued after the voluntary operating permit is issued. If the issuance of a construction permit acts to make the source no longer eligible for a voluntary operating permit, then the source shall, in accordance with subparagraph ~~22.105(1)"a"~~(6) 22.105(1)"a"(2), not operate without a Title V operating permit, and the source shall be subject to enforcement action for operating without a Title V operating permit.

ITEM 15. Amend rule 567—22.120(455B), the **introductory paragraph** and the definitions of "**40 CFR Part 72**" and "**40 CFR Part 75**," as follows:

567—22.120(455B) Acid rain program—definitions. The terms used in rules 22.120(455B)

through 22.147(455B) shall have the meanings set forth in Title IV of the Clean Air Act, 42 U.S.C. 7401, et seq., as amended through November 15, 1990, and in this rule. The definitions set forth in 40 CFR Part 72 as amended through ~~May 18, 2005~~, January 24, 2008, and 40 CFR Part 76 as amended through October 15, 1999, are adopted by reference.

“40 CFR Part 72,” or any cited provision therein, shall mean 40 Code of Federal Regulations Part 72, or the cited provision therein, as amended through ~~April 28, 2006~~ January 24, 2008.

“40 CFR Part 75,” or any cited provision therein, shall mean 40 Code of Federal Regulations Part 75, or the cited provision therein, as amended through ~~May 18, 2005~~ February 13, 2008.

ITEM 16. Amend subrule **23.1(4)** as follows:

23.1(4) Emission standards for hazardous air pollutants for source categories. The federal standards for emissions of hazardous air pollutants for source categories, 40 Code of Federal Regulations Part 63 as amended or corrected through ~~July 16, 2007~~, April 8, 2008, are adopted by reference, except those provisions which cannot be delegated to the states. The corresponding 40 CFR Part 63 subpart designation is in parentheses. An earlier date for adoption by reference may be included with the subpart designation in parenthesis. 40 CFR Part 63, Subpart B, incorporates the requirements of Clean Air Act Sections 112(g) and 112(j) and does not adopt standards for a specific affected facility. Test methods (Appendix A), sources defined for early reduction provisions (Appendix B), and determination of the fraction biodegraded (F_{bio}) in the biological treatment unit (Appendix C) of Part 63 also apply to the affected activities or facilities. For the purposes of this subrule, “hazardous air pollutant” has the

same meaning found in 567—22.100(455B). For the purposes of this subrule, a “major source” means any stationary source or group of stationary sources located within a contiguous area and under common control that emits or has the potential to emit, considering controls, in the aggregate, 10 tons per year or more of any hazardous air pollutant or 25 tons per year or more of any combination of hazardous air pollutants, unless a lesser quantity is established, or in the case of radionuclides, where different criteria are employed. For the purposes of this subrule, an “area source” means any stationary source of hazardous air pollutants that is not a “major source” as defined in this subrule. Paragraph 23.1(4)“a,” general provisions (Subpart A) of Part 63, shall apply to owners or operators who are subject to subsequent subparts of 40 CFR Part 63 (except when otherwise specified in a particular subpart or in a relevant standard) as adopted by reference below. The provisions of 40 CFR Part 60, Subparts A, B, Da, and HHHH for the Clean Air Mercury Rule (CAMR), are found at subrules 23.1(2) and 23.1(5) and in 567—Chapter 34.

ITEM 17. Amend subrule **23.1(4)** to adopt new paragraphs "dw," "dy," and "dz," as follows:

dw. Emission standards for hazardous air pollutants for hospital ethylene oxide sterilizer area sources. This standard applies to a hospital that is an area source for hazardous air pollutant emissions and that owns or operates a new or existing ethylene oxide sterilization facility. (Part 63, Subpart WWWW)

dy. Emission standards for hazardous air pollutants for electric arc furnace steelmaking area sources. This standard applies to new or existing electric arc furnace (EAF) steelmaking facilities that are area sources for hazardous air pollutant emissions. (Part 63, Subpart YYYYY)

dz. Emission standards for hazardous air pollutants for iron and steel foundry area sources. This standard applies to new or existing iron and steel foundries that are area sources for hazardous air pollutant emissions. (Part 63, Subpart ZZZZZ)

ITEM 18. Amend subrule **23.1(4)** to adopt new paragraphs "er," "es," and "et," as follows:

er. Emission standards for hazardous air pollutants for clay ceramics manufacturing area sources. This standard applies to any new or existing clay ceramics manufacturing facility with an atomized glaze spray booth or kiln that fires glazed ceramic ware, that processes more than 50 tons per year of wet clay, and that is an area sources for hazardous air pollutant emissions. (Part 63, Subpart RRRRRR)

es. Emission standards for hazardous air pollutants for glass manufacturing area sources. This standard applies to any new or existing glass manufacturing facility that is area source for hazardous air pollutant emissions and meets the following criteria: 1) Manufactures flat glass, glass containers or pressed and blown glass by melting a mixture of raw materials to produce molten glass and form the molten glass into sheets, containers or other shapes; and 2) Uses one or more continuous furnaces to produce glass at a rate of at least 50 tons per year and that contains compounds of one or more "glass manufacturing metal HAP," as defined in 40 CFR 63.11459, as raw materials in a glass manufacturing batch formulation. (Part 63, Subpart SSSSSS)

et. Emission standards for hazardous air pollutants for secondary nonferrous metal processing area sources. This standard applies to any new or existing secondary nonferrous metal processing facility that is an area source for hazardous air pollutant emissions. This standard applies to all crushing and screening operations at a secondary zinc processing facility

and to all furnace melting operations located at any secondary nonferrous metals processing facility. (Part 63, Subpart TTTTTT)

ITEM 19. Amend paragraph **23.1(4)"cz"** as follows:

cz. Emission standards for stationary reciprocating internal combustion engines. These standards apply to new and existing major sources with stationary reciprocating internal combustion engines (RICE). For purposes of these standards, stationary RICE means any reciprocating internal combustion engine which uses reciprocating motion to convert heat energy into mechanical work and which is not mobile. (Part 63, Subpart ZZZZ, as amended through April 20, 2006)

ITEM 20. Amend subrule 25.1(9) as follows:

25.1(9) Methods and procedures. Stack sampling and associated analytical methods used to evaluate compliance with emission limitations of 567—Chapter 23 or a permit condition are those specified in the “Compliance Sampling Manual”* adopted by the commission on May 19, 1977, as revised through January 30, 2003. Sampling methods, analytical determinations, minimum performance specifications and quality assurance procedures for performance evaluations of continuous monitoring systems are those found in Appendices A (as amended through September 28, 2007), B (as amended through September 28, 2007) and F (as amended through January 12, 2004) of 40 CFR Part 60, and Appendices A (as amended through ~~May 18, 2005~~January 24, 2008), B (as amended through ~~May 18, 2005~~January 24, 2008), F (as amended through ~~May 18, 2005~~February 13, 2008) and K (as amended through ~~September 28, 2007~~January 24, 2008) of 40 CFR Part 75.

*Available from the department.

ITEM 21. Amend rule 567—25.2(455B) as follows:

567—25.2(455B) Continuous emission monitoring under the acid rain program.

The continuous emission monitoring requirements for affected units under the acid rain program as provided in 40 CFR Part 75, including Appendices A, B, F and K as amended through ~~September 28, 2007~~ January 24, 2008 (Appendix F also was corrected on February 13, 2008), are adopted by reference.

ITEM 22. Amend rule 567—25.3(455B) as follows:

567—25.3(455B) Continuous emission monitoring under the Clean Air Mercury Rule (CAMR). The provisions in 40 CFR Part 75, including Appendices A, B, F and K as amended through ~~May 18, 2005~~, January 24, 2008 (Appendix F also was corrected on February 13, 2008), are adopted by reference.

ITEM 23. Amend subrule **33.3(17)** to add new paragraph "c" as follows:

c. Re-opening of the public comment period. If comments submitted during the public comment period raise substantial new issues concerning the permit, the department may, at its discretion, take one or more of the following actions:

1. Prepare a new draft permit, appropriately modified;
2. Prepare a revised fact sheet;
3. Prepare a revised fact sheet and re-open the public comment period; or
4. Re-open or extend the public comment period to provide interested persons an opportunity to comment on the comments submitted.

The public notice provided by the department pursuant to this rule shall define the scope of the re-opening. Department review of any comments filed during a re-opened comment period shall be limited to comments pertaining to the substantial new issues causing the re-opening.

ITEM 24. Amend subrule **33.3(18)**, paragraphs "**c**" and "**d**" as follows:

c. ~~to e. Reserved.~~ Any owner or operator who constructs or operates a source or modification not in accordance with the application pursuant to the provisions in rule 567—33.3(455B) or with the terms of any approval to construct, or any owner or operator of a source or modification subject to the provisions in rule 567—33.3(455B) who commences construction after the effective date of these regulations without applying for and receiving departmental approval, shall be subject to appropriate enforcement action.

d. Approval to construct shall become invalid if construction is not commenced within 18 months after receipt of such approval, if construction is discontinued for a period of 18 months or more, or if construction is not completed within a reasonable time. The department may extend the 18-month period upon a satisfactory showing that an extension is justified. These provisions do not apply to the time between construction of the approved phases of a phased construction project; each phase must commence construction within 18 months of the projected and approved commencement date.

e. Reserved

ITEM 25. Amend subrule **33.3(20)** to add new paragraphs "**a**" and "**b**" as follows:

a. Administrative amendments. Upon request for an administrative amendment, the department may take final action on any such request, and may incorporate the requested

changes without providing notice to the public or to affected states, provided that the department designates any such permit revisions as having been made pursuant to paragraphs 33.3(20)"a" and 33.3(20)"b."

b. An administrative amendment is a permit revision that does any of the following:

1. Corrects typographical errors;

2. Corrects word processing errors;

3. Identifies a change in name, address or telephone number of any person identified in the permit, or provides a similar minor administrative change at the source; or

4. Allows for a change in ownership or operational control of a source where the department determines that no other change in the permit is necessary, provided that a written agreement containing a specific date for transfer of permit responsibility, coverage, and liability between the current and new permittee has been submitted to the department.

Date

Richard A. Leopold, Director

Administrative Rule Fiscal Impact Statement

Date: April 21, 2008

Agency: Department of Natural Resources

IAC Citation: 567 IAC 20.2, 21.1(3), 21.1(4), add 21.6, 22.1(3), 22.3(3)"f," 10.100, 22.105(1), add 22.105(5), 22.106(3)"b," add 22.106(8), 22.110, 22.116(2), 22.207(1), 22.120, 23.1(4), 23.1(4)"ez," 25.1(9), 25.2, 25.3, 33.3(17), 33.3(18), and 33.3(20).

Agency Contact: Christine Paulson

Summary of the Rule: The proposed rules: 1) Allow for electronic filing of air emissions inventories, construction permits and operating permits; 2) Allow operation of small, temporary generators during disaster periods; 3) Allows additional flexibility for most portable plant re-location notifications; 4) Amends the Title V operating rules to clarify application procedures; 5) Updates the test methods for the Acid Rain program; 6) Adopt by reference federal amendments and corrections to 40 CFR Part 63, National Emission Standards for Hazardous Air Pollutants (NESHAPS); 7) Updates the stack sampling and analytical methods in Chapter 25; and 8) Amends the provisions in Chapter 33 for Prevention of Significant Deterioration (PSD) to clarify the procedures for public participation, administrative amendments and enforcement.

Fill in this box if the impact meets these criteria:

☒ **X** No Fiscal Impact to the State.

☐ Fiscal Impact of less than \$100,000 annually or \$500,000 over 5 years.

☐ Fiscal Impact cannot be determined.

Brief Explanation:

Rule changes will not affect expenditures or revenues to the state.

Fill in the form below if the impact does not fit the criteria above:

☐ Fiscal Impact of \$100,000 annually or \$500,000 over 5 years.

* Fill in the rest of the Fiscal Impact Statement form.

Assumptions:

Describe how estimates were derived:

Estimated Impact to the State by Fiscal Year

	<u>Year 1 (FY)</u>	<u>Year 2 (FY)</u>
Revenue by Each Source:		
GENERAL FUND		
FEDERAL FUNDS		
Other (specify)		
TOTAL REVENUE	_____	_____
Expenditures:		
GENERAL FUND		
FEDERAL FUNDS		
Other (specify)		
TOTAL EXPENDITURES	_____	_____
NET IMPACT		

 X This rule is required by State law or Federal mandate.

Please identify the state or federal law:

Clean Air Act sections 110, 112, 412 and 502(a), as codified in 40 Code of Federal Regulations, Parts 51, 52, 63, 70, 72 and 75.

 Funding has been provided for the rule change.

Please identify the amount provided and the funding source:

 X Funding has not been provided for the rule.

Please explain how the agency will pay for the rule change:

The agency will not need additional revenue to implement this rule.

Fiscal impact to persons affected by the rule:

The proposed rule changes will primarily affect regulated parties (industry) with applicable air emissions or emission equipment. The rule changes will provide a better description and updated references to existing federal regulations. Additionally, the proposed rule changes will clarify and correct existing state rules. This will provide a benefit to regulated parties in understanding how they could be potentially impacted by these rules.

The proposed new rule to allow operation of temporary, small generators in disaster situations (21.6) will be a benefit to investor-owned utilities and cooperative utilities because these facilities will not need to apply for construction permits or apply for a variance to install and operate the units.

Another impact of this rulemaking will be incorporation of the federal amendments to new source performance standards (NSPS) and emission standards for hazardous air pollutants (NESHAP). Owners and operators of effected air emissions sources are subject to the federal requirements whether the state incorporates these federal requirements into the Iowa Administrative Code or not. Therefore, the incorporation by reference of the federal standards will not impose any additional costs to the effected sources.

Fiscal impact to Counties or other Local Governments (required by Iowa Code 25B.6):

The proposed new rule to allow operation of temporary, small generators in disaster situations (21.6) will be a benefit to municipal utilities because these facilities will not need to apply for construction permits or apply for a variance to install and operate the units.

No other fiscal impacts expected.

* If additional explanation is needed, please attach extra pages.

Agency Representative preparing estimate: Christine Paulson
Telephone Number: 515 242-5154